

## Interview H0059: with Sandutsang, Rinchen [tib. sa 'du tshang rin chen], (India, 26 August 1989) : Part No. 1 of 2

*This telephone interview is with Sandutsang Rinchen who was a member of a rich Khamba trading family who shifted their base of operations to Lhasa. The interviewee, who became a Tibetan government lay official, discusses mainly about Tibet's wool trade. It discusses how the three biggest traders -- Reting, Pandatsang and Sandutsang -- processed their wool into bales for export in Kalimpong. It also talks about how Pandatsang monopolized the wool trade and how his own family, Sandutsang, started trading wool from about 1918-20 and developed the business over the next four decades. This is an excellent discussion of the wool business in Tibet.*

Q

Hello! How are you?

A

I am fine, thank you.

Q

I have some general questions and then I am going to ask you things in detail. How did the sale of wool work? How did you go about it? Did you need some permit when you started it?

A

We didn't need anything. There was free exporting. There were no restrictions of any kind on the importation into India; it was anything you wanted. During that period before the Chinese Communist occupation, all trading was free. There were no tariffs; nothing

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at all. But there was a tax levied by the Tibetan Government. There was a duty of 1 Rs per load [of wool]. One load was about 35 kg. You paid that duty in Phari, which is located just before [Yadong](#) [Tromo]. The duty was collected by the Duty Officer who was called "Pheyshe" [tib. bal sho].

Q

This is just for exporting, right?

A

Yes, for exporting. If it was not an export, there was no duty from the government. Trading was free. There were no taxes at all from the Indian side on the trade going both ways. The wool was collected from the nomads in Tibet during autumn. They [the nomads] sheared the wool in autumn.

Q

From where did you collect the wool?

A

From wherever the nomad's camps were. The nomads were mostly in the northern area.

Q

Do you mean nomads [tib. 'brog pa]?

A

Yes. The nomads were in the north and they were spread out from east to west. However, the majority were right in the north and northeast. Those had the good quality wool. The wool from the northwest was called Töphey [tib. stod bal]. It was second class. It was a little inferior.

Q

What places were included in that area?

A

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The places near [Ütsang](#) [tib. dbus gtsang] -- Central Tibet and [Tsang](#) -- were located in the north and the northwest. The northeast was in the [Amdo](#) area.

Q

When you bought the wool did you buy it from individual nomads or were there groups?

A

Most of the people used to go to buy the wool from the nomads. At that time, the district heads were powerful. They would send people to buy wool and then they would sell the wool to the traders.

Usually, the traders went to buy the wool in winter and spring. They carried mostly grain, tea and miscellaneous items that the nomads required [for exchange]. It was sort of a barter trade in which they were given a sort of a credit [they gave the goods first and then returned to get the wool the next autumn]. There was some risk involved, but most regular traders knew the people with whom they were dealing.

Q

So it was a personal [relationship], right?

A

Yes, it was based on personal trust. What they did was they gave the nomads whatever daily requirements they needed so they didn't have to go into towns. The traders took these items and gave it to them on a credit basis. In autumn, they collected the price of those items against the wool. The price was based according to the market rate in towns and cities for the grain, etc., but the price didn't fluctuate that much. The wool price, to some extent, depended on how many sheep they had. Sometimes they had a bad winter and lot of them died. Sometimes, they had a good winter. It depended on how much the output was. They traded in advance and fixed the rate. So based on the number of loads of grain, they nomads paid for this with so much wool. That was the normal practice.

Q

So, the price sort of fluctuated, right?

A

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It fluctuated a little bit.

Q

What would be the average price?

A

It is very difficult to say. I can give you the price when it comes to India as the final destination. From there they exported it again, mostly to the United States and sometimes it went to England. In Tibet itself, it is very difficult to give you a price because a sort of barter trade was used and they didn't deal with it in terms of money. It also depended on the price in India, because ultimately that was the market. So the buyers would determine their offer of goods to the nomads depending on what the market rate was in India. In India, of course the market depended on the demands of the United States.

But it was not entirely dependent on the United States market. Determining the price at this time was mostly dependent on an auction they had in Liverpool. Liverpool had an auction of raw wool. Of course, the larger trade was all in Australian and New Zealand wool. But wool in general was determined according to the Liverpool auction. That determined most of the prices. Tibetan wool was, of course, a very small quantity. That's how they did the wool trade normally.

Q

The nomads belonged [were hereditary subjects] of [either] the government, the estates of aristocrats (tib. sger gzhis) or the estates that belonged to monasteries [tib. tib. mchod gzhis], right?

A

Some of them were kind of under aristocrats [tib. sger]. In the [Amdo](#) area especially, most people were not under the control of the government. Some of the nomads belonged to the monasteries.

Q

When you have to buy wool from those nomads, what kind of powers did the monasteries and their estates have?

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A

Probably the nomads had to pay the monastery yearly taxes, e.g., so many loads of wool and so many loads of butter. They had a fixed amount of taxes. But the nomads would also sell the [remaining] wool. Sometimes, the monastic and labrang's traders would collect their own wool, but this wasn't a large amount. Mostly, the nomads had to pay the yearly taxes, but they could also convert it into money.

Q

At that time, did you have to go through the district head or could you go directly to the nomads to buy wool?

A

For the major portion, we dealt directly with the nomads. Most of them were nomads who belonged to aristocrats.

Q

When did you or your family get started in the wool trade?

A

I think probably we started sometimes in the late 1920's. I can't tell you exactly. Previously, I think it's like in the mid-1930's.

Prior to that, all of the wool was monopolized by the government and the government gave the monopoly to the [Pandatsang](#) [tib. spom mda' tshang] [family]. So only [Pandatsang](#) could collect and buy wool. When that was ended, then they did that [private wool trade].

Q

So that was sometime in the 1930's, right?

A

Yes.

Q

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When you did the wool trade, did you do it through your own servants or some traders or relatives?

A

We had [our own] traders in major places. Lhasa was the head office, and then we had people in Nagchu on the north side, and then in Shigatse, and then in Phari. From these places you sent out your traders, say 5-6-7 whatever number. They carried along with them whatever the nomads required. We used to normally deal in tea -- brick tea and tea balls. Grain was not used that much.

Grain was usually offered by the traders who were from [Ütsang](#) (Central Tibet) like the Lhasa side and the Shigatse side, because they had agricultural fields. Some of the other traders would also buy grain from there and take it to the nomads. That was done mostly by the traders of Central Tibet because they had a better liaison with the heads of dzongs (districts) and they got a better deal. And it was easier for them to collect, because in case they had some problems they got the support of the district collectors. Traders like us, we wouldn't depend on the heads of districts.

Q

Do you mean the district head?

A

We just went and bartered and traded with the nomads directly. In autumn, we went to collect the wool. In some places you had written agreements [tib. gan rgya] to indicate how much you had given them and how much was going to be given back against that. But with most of the well known people, we didn't have anything [in writing]. We would trust them.

Q

Was there any difference between the wool to be sent abroad and that to be sold inside?

A

Yes. The wool the nomads supplied was bundled up into loads which were about 35 kg., which is like 70-75 pounds. You weighed it when you took it away, but they prepared the load. The wool was twisted into a thick rope. You just trusted them by looking at the

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outside of the bundle and maybe a little inside. You had to judge the quality from the outside.

[However, sometimes] You also got some sorts of other things inside these ropes of wool; they [the nomads] even put sand in it. They could even squeeze some goat-skins or some other type of skins inside there [the wool]. When it was wet, they could easily squeeze it inside and cover it up with wool on the outside. It was very difficult to find out because they were really tightly bound. And after the whole load was made, nobody wanted to open the whole thing and then have to retwist it into a load. That would be costly. So you just had to trust them to quite an extent. But ultimately, when you opened it in India, all these things would come out like stones, sand and goat-skins. All sort of things were in there. All that had to be taken into consideration. A 30 percent loss in weight and in quality was expected.

It was all white, but sometimes you got dark-gray or brownish color wool. There were different types. Actually, there were four categories of quality. When you ultimately opened them up in India, it was called first white, [regular] white, and gray. The gray was hardly exported and there were two types of gray: gray and dark gray.

Q

What do you call that in Tibetan?

A

Only the first white went abroad. The gray was consumed in India. Some of the Indian factories manufactured low quality blankets, mostly for the army and jails. This wool was called the dark color. The first white was longer in fiber and the [regular] white was shorter fiber. There was a little difference in the price, like 20-30 percent.

In India you had to open up [the ropes of wool] and make it lose and then you pressed it into bales. Each bale was about 500 pounds. We didn't even wash it. We just cleaned it and exported it raw. We took off the dust and loosened up the whole thing and pressed it into bales and packed it in gunny bags with iron hoops around it.

Q

Is this going from Tibet to Gangtok and to Kalimpong?

A

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Normally, it went both ways, but in the past mostly it went directly to Kalimpong through the Zaleb La [tib. rdza leb] mountain pass. Later on, it used to go through the Natö la [tib. rna thos la] pass to Gangtok. From Gangtok you could send it by bullock-carts, because in those early times there were no trucks there. You had to come right to Kalimpong.

Q

When you reached Gangtok and Kalimpong, did the Indian traders do that, or who were your contracts with?

A

There were only three Tibetan traders who had the go-down facilities and were doing direct exports: [Pandatsang](#), [Sandutsang](#) and Reting, and Reting came later. There were [also] Indian traders who used to do this. A couple of them had go-downs and the baling system. and they also used to sell directly.

The traders would bring whatever quality they had and they could keep it with whoever they liked, whether they were close to Tibetan traders or if they had some ties with the Indian traders. They could sell it to anybody. They got offers from all the buyers and whoever gave a better deal, they could sell it to them. The obligation was that if your goods were lying in my go-down, you had to sell it to me. I normally gave an offer and you could go and talk with other traders also. Wherever one felt he got a better deal, he could sell it to them.

Q

So would you export directly to the U.S?

A

We had an agent in Calcutta doing the shipping. Otherwise, it was a deal directly with the buyer.

Q

Wherever it needs to be sent, it went through the Calcutta agent, right?

A



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Yes. Normally there was only one port in New York. All the Tibetan wool exports went there, except some which went to England via Liverpool or some other port.

Q

What would be the price or exchange rate in India?

A

Well, the price in India used to, of course, fluctuate and go up and down depending on the market in U.S. But the U.S dollar rate was a fixed rate. It was 3 Rs to a dollar and that never changed for a long time I think. Even in early 1960-61, it was the same. It used to be cheap, but we never bothered about the foreign exchange. All the foreign exchange [currency] was taken by the Government of India. We never asked for any foreign exchange because there was no need for it. We just used to get the bank to convert it into Indian Rupees.

Q

Besides the wool what else did you trade?

A

We normally did small things, but we did not really take any interest in these. We were just a regular dealer, but all sorts of things came out from Tibet in small quantities such as musk, some type of furs, yak's tails, bear's bile, bristles, but that was in very small quantities. The major thing was wool.

How did the sub-traders work and what was their income like? And who were the sub-traders?

We, the bigger traders, were a little bit different than Reting's sub-traders because they were the sub-traders of a [labrang](#) in Central Tibet (tib. Ü [dbus]) and they must have been the labrang's servants. As for [Panda](#) and [Sandu](#), our sub-traders were not really servants. They had previously been kind of part of the household and they did things like working in the fields and they belonged to us [tib. mi khungs]. As for the system in Kham [Sandutsang was originally from Kham], they didn't have much taxes for the land [they held]. The better land was kept by the household [the lord]. The other land was given to the [miser](#) and they were allowed to keep all the yield. However, they had an obligation [due to holding this land] [tib. tshab] or a kind of tax, which required them to come as a hired person [tib. mi

gla] during the times of planting and harvest. Sometimes, they sent people as a helper for trade if they were called to do that. When they worked on our fields, there were no wages, but food was given in the same quality as the master ate. So among these people if there were some smarter ones, they were sent [as the tax obligation] to do trade. If we had about 15-20 of them, they would go according to seniority, but they didn't get wages. When they needed some pocket money and money to be send to their families or for buying clothes or making offerings, they would tell the master and the master would help them.

As time passed, they would get kind of promoted depending on their intelligence [tib. grung los] and stableness [tib. brtan los] and they would become like a semi-servant and a semi-master [tib. ngo ma g.yog], and they would also become like family members and they would behave like equals with the master and they would even fight and show anger to the master when he did something wrong. Some of them even had more loyalty to the household than the real master did. For example, if we did some reckless things which would harm the household like drinking beer and fighting with people, the elder ones would even discipline [tib. bkod pa shod] us and they were allowed to do that. We would also listen to them.

If a [miser] household become good, it would get fame and become trustworthy and it would do a little bit of private trade [while working for the maser] and the master wouldn't say anything. If they had the capital and were requested to join in the trade with the master, they would be allowed to join. Otherwise, they didn't have wages or fixed working times.

Some of the traders would encourage some small traders to go to buy wool and tell them that they would buy the wool from them. This was like a sub-contract. You could also lend money in advance and some of them will take their own capital and buy the wool and hand over the wool in Lhasa or Shigatse if they were from Western Tibet(Tö).

Later, when the wool trade went well, the Indian traders were competing. They could only buy in Kalimpong because they were not allowed to go to Tibet except for [being allowed to go to] Sharsingma in [Yadong](#). They traded with the Tibetan traders for 2-3 years and they knew each other and lent money as capital to some trustworthy traders. Later there were quite a lot of them because the Indians knew the behavior of the Tibetans and they had faith in the religion and there were only a few Tibetans telling lies. So they trusted Tibetans. In order to get a good profit, they would pay money or goods like cloth, etc. and tell them to buy wool and bring it back and we will buy the wool. Mostly they would pay the price of the wool when it arrived.

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The three big traders, Reting, [Panda](#) and [Sandu](#), would do more trade and they would send wool abroad. So these three knew the foreign prices and how it was sold. So there was a kind of control by these three, but they would pay the price according to the foreign price. Many small traders would not bring their wool to India and would sell it in Lhasa or Shigatse or Phari or Nagchuka.

These three traders would send their people to the nomads with tea and grain and this work had to be done continuously for many years. You couldn't do that in 1-2 years because once the goods were spread out you would not be able to get all of them. You could only get 60-70% and 30-40% would be left there because [they nomads] would say that their animals had died. So we had to make new pledges and go there the next year [to collect]. So it was an unending process.

When the wool trade went well, we bought wool from everywhere, like from Lhasa, Shigatse, Gyantse, Nagchuka and Western Tibet also. So the amount of what we bought and the price depended on the price in India. Later on, we could send telegrams, but before that we sent letters, but sending messengers was faster than sending letters. So we sent messengers for doing the wool buying. We could also do advance trading to deliver the goods after 4-5 months. And I have sent people to buy additional wool. If you had time, it would be cheaper to buy from a longer distance.

It was cheap when we bartered the wool with the nomads, but you could get the wool only after 7-8 months [since you had to give the goods first]. The price for wool sold in Tibet depended on the buyer. They will not buy if one charged a high price, but if the price is too low, they will suffer losses. Some would keep the wool for about a year because there was no problem to do so in Tibet except that it would become dry and would get reduced in weight. Otherwise, it wouldn't get rotten.

If it was in India, the traders like us would make the wool dry and shake away the dust and pile it up softly and there would not be any problem. Some of the traders would tell us to keep their loads of wool in our go-down. Although we would not charge for the use of the go-down, many of the loads were wet inside because the wool sellers purposely made it wet and also the transporters would put sand and stones if they had stolen some of the wool because they had to weigh it when handing it over. And the worse was when they put hot water on it 1-2 days before their arrival. One didn't know this from the outside, so when they piled up the loads for a long time, the wool would get rotten. In some loads they had put skins [inside] which got rotten and would have insects and the wool got spoiled.

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Some of the districts and estates had many nomads and some of these belonged to [labrang](#), but the districts [still] had some control over them. Since the district heads had the power. They would buy the wool at a cheap price or force them [the nomads] to sell. This depended on the district head. Among the [kudrak](#) [aristocrats] some who were district heads did trading. Some who didn't know trading would tell them [the nomads] to sell wool to the people they knew. Some district heads would say that I will help you to buy wool when they were given some bribe or commission. The traders then bought the wool using the name of the district head. Anyway, there were just a few districts that had wool trade.

Q

How did the monopoly happen?

A

I don't have anything to tell about the cause of this. I have never asked about this. I just heard about that and I was just a child then. Probably, it was before I was born in the 1920s. Probably, it was kind of government trader and the government also would appoint the Trade Governor (tib. tsongji [tib. tshong spyi]). I am not sure why the government did trade. For example, if the government appointed [Panda](#) as the Tsongji of wool, people were not allowed to sell wool to other people except to [Panda](#). So the price depended on whatever [Panda](#) would say. So people could only get the minimum. Then [Panda](#) would send the wool and sell it in India and clear the account [tib. rtsis rgyag] with the government.

Sometimes, the government would also force people to trade with them [at a lower price]. This was called bamtsong [tib. 'bam tshong]. They would tell them to trade. [Traders would] pay something like 50,000 [dotse](#) like it was a contract or like a lease fee to the government. If the government said that they wanted this amount and if you couldn't pay it, one could use some methods by bribing some officials to get the lease fee reduced.

Q

I wanted to ask you what Bamtsong means.?

Q

Bamtsong means the government was forcing people to buy things like imposing taxes, saying you have to pay 5,000 [dotse](#) and you must buy it. So the person couldn't refuse

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this. It was not certain who or which office would impose the Bamtsong. For example, the tax collecting offices like the [Laja](#) or [Tseja](#) had many things like tea leaves that were offered as gifts or taken as fines. So they would tell someone like [Sandutsang](#) to buy these 10,000 loads of tea leaves saying that you trade tea and you have to pay this amount of money. We couldn't refuse. However, if the price was excessively high, we would complain. Otherwise, we just paid the money or asked for some delay of paying the money saying that we will sell the tea and then pay it.

Q

What was the exchange rate in 1945-47? Did you try to get the foreign exchange [for yourselves]?

Q

We didn't use the foreign exchange because the bank did that. When we sold the wool to the foreign countries, they would open a letter of credit right away in the bank for whatever the amount would be. The bank would inform us that they have received the letter of credit. Then we will send the goods and give the accounting to the bank and the bank would put the amount of money into our account and they will inform the creditor. We also had to send an account to them. They received the loads from Calcutta. The dollar rate was 3 Rs for many years in the 1940's.

Q

Nowadays there is the Reserve Bank of India, in the past would you have to go through it in the same way?

Q

No, we didn't need to.

Q

How did you do things with the bank?

Q

In Calcutta there was the Loyach Bank and most of the banks were British Banks.

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Q

Was there the National Grenley?

Q

I don't recall the Grenley. There was the Loyach and probably there was Grenley and there was the China Bank. There were a few people having relations with the China Bank because they had the trade with the Chinese.

Q

When did [Sandutsang](#) household come to Lhasa and start doing trading?

A

Probably, it was 4 generations ago, including us, since we started to do the trade between India and started staying in Lhasa. Probably it was in early 1918-20, but we had been trading in Tibet before that.

Q

Specifically, how did you operate the trading of your household, e.g., having a warehouse in Kalimpong?

A

In the beginning, we didn't have that [a warehouse]. We brought the goods to India and sold them and then bought goods from India that went to Tibet. Later, when the wool trade went well, if you didn't have a go-down in India, it won't work out when doing large-scale trade. So in the beginning, we rented the house and then bought it and expanded it so we had a go-down where the wool was pressed into bales. We had to hire Indian and Nepalese coolies to differentiate the wool [into classes]. The work depended on the amount the wool we had. In the go-downs of [Sandutsang](#) and [Pandatsang](#), approximately 150-200 people were hired.

We mostly brought consumption items back to Tibet like tea, cloth, and a lot of ball teas. Later, the tea gardens in Darjeeling and Gowa made ball of teas with the worse quality of tea leaves [tib. ja rnyog]. In the past, the better quality Chinese balls of tea were exported to Burma from Yunnan. Then they were shipped from Burma to Rangoon and then to

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Calcutta. If it [Chinese tea] had to be transported through Tibet, it would take about 4 months on horse and mule back, and that would be very costly. Among the food stuffs [we imported] it was mainly such things as rice and sugar. Serge [woolen material] was also imported and sold in Lhasa and in the main cities where the better off people would buy them.